

COMMITTEE ON FINANCE
(Standing Committee of Berkeley County Council)

Chairman: Mr. Dennis L. Fish, District No. 5

The COMMITTEE ON FINANCE met on Monday, May 12, 2003, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Corner, South Carolina, at 6:05 p.m.

PRESENT: Mr. Dennis L. Fish, Council Member District No. 5, Chairman; Mr. Milton Farley, Council Member District No. 1; Mrs. Judith K. Spooner, District No. 2; Mr. William E. Crosby, Council Member District No. 3; Mr. Charles E. Davis, Council Member District No. 4; Mrs. Judy C. Mims, Council Member District No. 6; Mr. Caldwell Pinckney, Jr., Council Member District No. 7; Mr. Steve C. Davis, Councilmember District No. 8; Mr. James H. Rozier, Jr., Supervisor, ex officio; Mr. D. Mark Stokes, County Attorney; and Ms. Barbara B. Austin, Clerk of County Council.

Pursuant to the Freedom of Information Act, notice of the meeting date, time, place and agenda was posted on the bulletin board at the entrance of the County Office Building, 223 N. Live Oak Drive, Moncks Corner, South Carolina and the Berkeley County Library, and mailed to the newspaper, radio stations, television stations and concerned citizens.

Chairman Fish called the meeting to order.

APPROVAL OF MINUTES:

Chairman Fish asked for approval of minutes from the Committee on Finance meetings held on April 21, 2003 and April 28, 2003.

It was moved by Councilmember Crosby and seconded by Councilmember Pinckney to approve the minutes as presented. The motion passed by unanimous voice vote of the Committee.

A. James H. Rozier, Jr., Berkeley County Supervisor, Re: Presentation of fiscal year 2003-2004 Budget.

Mr. Rozier addressed the Committee as members of the Finance Department distributed copies of the budget. Mr. Rozier stated the budget is set up differently this year, which makes it easier to read. He commended the Finance Department for an outstanding job. He directed the Committee to the index at the front of the book and explained the index allowed for ease in finding departments by page number. The general fund is found under the red tab. Special revenue funds are under the white tab; Enterprise funds are under the green tab and Tax Districts are located under the blue tab. Special Revenue funds include grants and the Library and any other monies that are designated for a particular purpose. Enterprise funds include Cypress Gardens and E-911.

Mr. Rozier presented the recommended budget that will start July 1, 2003, through June 30, 2004. He stated he does not think there has ever been a more difficult budget - in the past years. The amounts requested from the departments totaled \$44,869,543. Original Revenue Projections totaled \$33,520,945; therefore, the amount needed to balance the budget as requested would have been \$11,348,598. If the budget had been proposed as requested the additional mills required to fund it would be 27.5; which would require a property tax increase of 52%. This was taken as information and used to work out a balanced budget.

The Supervisor recommended a budget of \$38,315,703, with current revenue projections of \$38,315,703. Therefore leaving zero (0) dollars to balance the budget. For additional information, Mr. Rozier explained that total expenditures for all funds were \$48,018,864; which included the departments that are not in the general fund as stated previously, i.e., grants, Cypress Gardens, etc. Mr. Rozier stated that the numbers are subject to change.

The budget was balanced without a property tax increase. Mr. Rozier continued, "It is my opinion that our goal and objective is to provide the services that are required of us to the Berkeley County citizens at the lowest possible cost and to avoid tax increases if at all possible; included in the budget is \$600,000 in contingency."

The proposed budget includes:

- 5% merit for 2002-2003
- Across the board grade changes during 2002-2003
- 3% merit for 2003-2004
- 19.6% increase in insurance premiums
- 30% increase in workers compensation premiums

Councilmember Spooner stated she had asked for some information from Mr. Rozier. One of the questions was what would the millage be if the budget were funded as it had been requested? Also a breakdown, per elected official, of what the numbers would be if they had been given exactly what they asked for in the upcoming budget?

Mr. Rozier gave the Committee a breakdown as follows: total requested from elected officials (including the Supervisor) was \$30,768,493; recommended budget \$23,321,045; reduction in budget of 24.2% in the request. The reduction in the budget is \$7,447,448. To fulfill the desired budget the millage increase would have been a total of 18.032 mills.

Councilmember Spooner stated she had asked for the number of employees that had been requested and how many were cut from the budget? She was sent a letter by regular mail in regard to the lack of funding for the different elected officials' departments; therefore she had asked for a breakdown on that matter, as well.

Mr. Rozier indicated he had forgotten to get the information on the number of requested employees allowed and denied, but he would get that information together. He presented the breakdown on the increase from the past 12 years (magistrates' office included). Mr. Rozier explained there has only been a 15% population increase since 1991 (when he took office); also,

“I believe that we were far behind in 1991. I believe we were seriously under funded in 1991. I believe we were seriously not providing services that needed to be provided in 1991.” The increases from departments’ actual budget in 1991 to recommended budgets for 2004 are as follows:

- Magistrates’ System \$599,041 to \$1,323,524 for 120%;
- Sheriff & Detention Center \$2,849,965 to \$9,542,930 for 234%;
- Clerk of Court \$521,105 to \$1,489,743 for 185%;
- Auditor \$179,124 to \$468,385 for 161%;
- Coroner \$103,398 to \$260,350 for 151%;
- Register of Deeds \$233,653 to \$579,823 for 148%;
- Treasurer \$217,328 to \$463,205 for 113%;
- County Council \$225,369 to \$411,847 for 82%;
- Supervisor \$103,782 to \$187,605 for 80%;
- Probate Judge \$214,867 to \$374,227 for 74%.

Councilmember Steve Davis asked if Council had been provided with the information on the difference between the recommended \$38,315,703 and the \$48,018,864 total expenditures for all funds?

Ms. Kace Smith, Finance Director, explained that the \$38,315,703 represents the general fund only. The \$48,918,864 would be a combination of all funds.

It was moved by Councilmember Crosby and seconded by Councilmember Spooner to recess the Committee on Finance. The motion passed by unanimous voice vote of the Committee.

The Committee recessed at 6:40 p.m.; Chairman Fish reconvened the meeting at 8:36 p.m.

B. Ms. Kace Smith, Finance Director, Re: Re-designation of lease purchase funds – Airport.

Ms. Smith asked for the re-designation of funds from the 2000-2001-lease purchase. Ms. Smith explained the EMS building had been completed and there were remaining funds available. The Airport is in great need of a replacement lawnmower.

It was moved by Councilmember Spooner and seconded by Councilmember Pinckney to approve the re-designation of funds from the 2000-2001 lease purchase for the purchase of a lawnmower for the Airport. The motion passed by unanimous voice vote of the Committee.

C. Mr. Fred Boltz, Berkeley County Special Fire Tax Advisory Commission, Acting Chairman, Re: Proposal of 3.5 mills increase in fire fees.

Mr. Boltz addressed the Committee and requested that they reconsider the 3.5 mill increase in fire fees; which does not include industry. The information provided came from the offices of the Assessor and the Auditor. The total is \$936,791.90. He indicated the Committee had been given a package estimating what the cost would be per taxpayer. The figures presented included a home valued at \$81,100, a 1997 Ford Truck, a 1998 Buick automobile, a 1996 Camper, a 20Ft. pontoon boat with a 1990 60 mhr. motor; the total increase would be \$20.36.

Councilmember Pinckney asked what the majority of the money would be used for by the Fire Departments?

Mr. Bolz explained it would be to upgrade equipment; which would improve the ISO ratings for the fire departments; which in turn would lower taxpayers' insurance policies.

Mr. Fish stated he had requested a listing of expenditures from each of the Fire Departments that would indicate where the money was being spent. He expressed his displeasure with the Board by saying the figures were inadequate and unsatisfactory. Ms. Kace Smith was asked to supply a form to each department so there could be a standard format. "What we got back was shoddy, at best." Councilmember Fish stated it is obvious that some departments have more than one bank account; yet, the numbers supplied only depicted one account. In the detailed list of checks; there were significant numbers of checks missing; were not in sequential order so as to indicate where the expenditures went. This is very hard to analyze. He requested the departments get the information back to him "quickly" and also that they get a line-by-line listing of where the money goes. The Advisory Board has agreed to get back to the various districts to make sure that will be completed.

Mr. Rembert Wrenn, Fire Commissioner, indicated that the figures provided tonight were based on the total assessment of Berkeley County. The departments would be given a certain amount of money from the \$936,791.90, and that would bring the smaller departments up to \$50,000.

Chairman Fish explained that from pictures he has seen that there are small departments, which are in disastrous need, and he did not see how they were even operating. His concern is that there are some districts that appear to be wealthy, while there are other districts that are going under. He believes there should be some equitable distribution of money and not what is just stated on the packet the Committee was given.

Councilmember Crosby indicated his understanding was that the proposed 3.5 mills would be only on real property, but now the list shows all property, i.e., automobiles and recreational property.

Mr. Bolz stated that was true, but in order to get to the figure given they had to include all the property.

Councilmember Spooner asked if Sangaree was included in those figures?

Mr. Bolz indicated that it included everything but the municipalities.

Councilmember Crosby stated a letter was sent to all the Fire Districts and six (6) did not agree with the 3.5 mill increase.

Mr. Bolz explained there were 4 districts that did not agree. Of the twenty-one (21) received; twenty (20) voted "Yes" with St. Stephens voting "No" on the 3.5 mill increase. They did not get any response from Goose Creek, Carami, Edytown, and Cainhoy.

Councilmember Spooner advised Mr. Bolz that in the past when this was presented to the citizens of Goose Creek, by way of referendum, that they voted against it because it was proposed to tax the automobile and recreation vehicles.

Chairman Fish indicated he did not understand the stance on that because the Fire Departments respond to car accidents and car fires, as well as residential calls.

Councilmember Pinckney stated, "There have been six (6) Committee meetings tonight where persons have come to request additional funds. We are talking about our rural fire departments here that not only go out and protect the lives of others, but at the same time they endanger their lives. I think it is only fair to take that under consideration as a governing body of this County. There is no other means for them to receive any funds other than coming to County Council. I think it is about time we take a hard look at this, because they do one heck of a good job. I would not be a volunteer fireman, but I appreciate them for the job that they do. The paper reported the Forestry Commission is talking of layoffs and they are requesting that the rural fire departments take on some of that responsibility. We are asking them to do more with less. I realized there might be some improprieties in some of the departments, but you are going to have that. It is up to us as a governing body to weed that out and rectify it. I don't think that we should punish these guys any longer. We created the Advisory Board and told them to get the proposal together and a little over two years we have been putting them off and I think we need to act on it."

Mr. Wrenn explained that he had spoken with Mr. Rozier and the citizens of the County need to be advised what the taxes would be if we were forced to go to a paid fire department. The millage increase would be 30 plus mills. Every time a volunteer fireman is brought on it costs approx. \$4000 to outfit him plus the OSHA regulations.

Councilmember Mims asked if vacant land was still included in the millage proposal?

Mr. Bolz indicated that it was.

Chairman Fish asked the Advisory Board to get the numbers to him by the next meeting and the Committee would work on moving it to First Reading.

D. Review prior to Second Reading of the following:

1. Bill No. 03-24, An Ordinance providing for the fiscal year beginning July 1, 2003, and ending June 30, 2004, for the Devon Forest Special Tax District operational budget; and to provide for the expenditures of the revenues received by the Devon Forest Special Tax District during the fiscal year.

It was moved by Councilmember Mims and seconded by Councilmember Charles Davis to send Bill No. 03-24 forward for Second Reading. The motion passed by unanimous voice vote of the Committee.

2. Bill No. 03-25, An Ordinance providing for the fiscal year beginning July 1, 2003, and ending June 30, 2004, for the Pimlico Special Tax District operational budget; and to provide for the expenditures of the revenues received by the Pimlico Special Tax District during the fiscal year.

It was moved by Councilmember Spooner and seconded by Councilmember Charles Davis to send Bill No. 03-25 forward for Second Reading. The motion was passed by unanimous voice vote of the Committee.

3. Bill No. 03-26, An Ordinance providing for the fiscal year beginning July 1, 2003, and ending June 30, 2004, for the Sangaree Special Tax District operational budget; and to provide for the expenditures of the revenues received by the Sangaree Special Tax District during the fiscal year.

It was moved by Councilmember Charles Davis and seconded by Councilmember Steve Davis to send Bill No. 03-26 forward for Second Reading. The motion passed by unanimous voice vote of the Committee.

4. Bill No. 03-27, An Ordinance providing for the fiscal year beginning July 1, 2003, and ending June 30, 2004, for the Tall Pines Special Tax District operational budget; and to provide for the expenditures of the revenues received by the Tall Pines Special Tax District during the fiscal year.

It was moved by Councilmember Charles Davis and seconded by Councilmember Steve Davis to send Bill No. 03-27 forward for Second Reading. The motion passed by unanimous voice vote of the Committee.

5. Bill No. 03-28, An Ordinance providing for the fiscal year beginning July 1, 2003, and ending June 30, 2004, for the operational budget of the Berkeley County Special Fire Tax District within the unincorporated portions of Berkeley County; and to provide for the expenditures of the revenues received by the Special Fire Tax District during the fiscal year.

It was moved by Councilmember Pinckney and seconded by Councilmember Steve Davis to send Bill No. 03-28 forward for Second Reading. The motion passed by unanimous voice vote of the Committee.

6. Bill No. 03-29, An Ordinance providing appropriations for the fiscal year beginning July 1, 2003, and ending June 30, 2004, for Berkeley County; to provide for levy of taxes on all taxable property in Berkeley County for all county purposes; to provide for the expenditures of said taxes and other revenues coming into the county for the fiscal year.

It was moved by Councilmember Pinckney and seconded by Councilmember Crosby to send Bill No. 03-29 forward for Second Reading. The motion passed by unanimous voice vote of the Committee.

E. Review prior to Third Reading of the following:

1. Bill No. 03-17, An Ordinance authorizing the execution and delivery of not exceeding \$20,000,000 principal amount exempt facility industrial revenue bonds (BP Amoco Chemical Company Project) Series 2003, of Berkeley County, South Carolina; the application of the proceeds of said Series 2003 bonds to pay the cost of acquiring certain exempt facilities and facilities functionally related and subordinate thereto which comprise an industrial facility; the entering into of certain covenants and agreements and the execution and delivery of certain instruments relating to the issuance of the aforesaid bonds, including, without limitation, an indenture of trust between Berkeley County and a trustee bank to be named, or any successor thereto securing the Series 2003 Bonds and prescribing matters related thereto and a loan agreement between Berkeley County and BP Amoco Chemical Company, and other matters relating thereto.

It was moved by Councilmember Crosby and seconded by Councilmember Pinckney to send Bill No. 03-17 forward for Third Reading. The motion passed by unanimous voice vote of the Committee.

2. Bill No. 03-18, An Ordinance authorizing the execution and delivery of a Fee-In-Lieu of Tax agreement and certain instruments relating thereto by and between Berkeley County and Marine Terminals of South Carolina, Inc., whereby, Berkeley County will enter into a Fee-In-Lieu of taxes arrangement with Marine Terminals of South Carolina, Inc.; providing for payment by Marine Terminals of South Carolina, Inc. of certain Fees-In-Lieu of Ad Valorem taxes; and other matters relating thereto.

It was moved by Councilmember Crosby and seconded by Councilmember Steve Davis to send Bill No. 03-18 forward for Third Reading. The motion passed by unanimous voice vote of the Committee.

3. Bill No. 03-19, An Ordinance to amend Ordinance No. 02-6-23, adopted June 24, 2002, to provide for Supplemental Appropriations and allocations thereof within the 2002-2003 Budget for Berkeley County; and other matters pertaining thereto.

It was moved by Councilmember Pinckney and seconded by Councilmember Steve Davis to send Bill No. 03-19 forward for Third Reading. The motion passed by unanimous voice vote of the Committee.

E. REPORTS FROM STANDING COMMITTEES:

COMMITTEE ON JUSTICE AND PUBLIC SAFETY, Councilmember Judy C. Mims, Chairman.

Councilmember Mims reported the Committee met earlier tonight.

It was moved by Councilmember Mims upon recommendation of the Committee to approve a transfer of up to \$40,000 from contingency to the Clerk of Courts department for payment of jurors. NO SECOND REQUIRED. The motion passed by unanimous voice vote of the Committee.

It was moved by Councilmember Mims upon recommendation of the Committee to send to Finance for funding intern salaries for the Clerk of Courts department not to exceed \$3,500. NO SECOND REQUIRED. The motion passed by unanimous voice vote of the Committee.

That concluded Councilmember Mims report.

COMMITTEE ON PUBLIC WORKS AND PURCHASING, Councilmember Caldwell Pinckney, Jr., Chairman.

Councilmember Pinckney reported the Committee met earlier tonight.

It was moved by Councilmember Pinckney upon recommendation of the Committee to transfer \$3,250 from contingency to Public Buildings department, line item 47002-5305 to repair water lines in the remote Narcotics Enforcement Office. NO SECOND REQUIRED. The motion passed by unanimous voice vote of the Committee.

It was moved by Councilmember Pinckney upon recommendation of the Committee to transfer \$2,950 from contingency to the Engineering department, line item 43104-5524 for Courthouse roof inspection and report. NO SECOND REQUIRED. The motion passed by unanimous voice vote of the Committee.

That concluded Councilmember Pinckney's report.

It was moved by Councilmember Crosby and seconded by Councilmember Steve Davis to adjourn the Committee on Finance. The motion passed by unanimous voice vote of the Committee.

The meeting adjourned at 9:06 p.m.

June 9, 2003
Date Approved

COMMITTEE ON FINANCE
(Standing Committee of Berkeley County Council)

Chairman: Mr. Dennis L. Fish, District No. 5

Members: Mr. Milton Farley, District No. 1
Mrs. Judith K. Spooner, District No. 2
Mr. William E. Crosby, District No. 3
Mr. Charles E. Davis, District No. 4
Mrs. Judy C. Mims, District No. 6
Mr. Caldwell Pinckney, Jr., District No. 7
Mr. Steve C. Davis, District No. 8
Mr. James H. Rozier, Jr., Supervisor, ex officio

A Meeting of the COMMITTEE ON FINANCE, Standing Committee of Berkeley County Council, will be held on Monday May 12, 2003, in the Assembly Room, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Corner, South Carolina, at 6:00 pm.

AGENDA

APPROVAL OF MINUTES

April 21, 2003
April 28, 2003

A. James H. Rozier, Jr., Berkeley County Supervisor, Re: Presentation of fiscal year 2003-2004 Budget.

RECESS

B. Ms. Kace Smith, Finance Director, Re: Re-designation of lease purchase funds – Airport.

C. Mr. Fred Bolz, Berkeley County Special Fire Tax Advisory Commission, Acting Chairman, Re: Proposal of 3.5 mills increase in fire fees.

D. Review prior to Second Reading of the following:

1. Bill No. 03-24, An Ordinance providing for the fiscal year beginning July 1, 2003, and ending June 30, 2004, for the Devon Forest Special Tax District operational budget; and to provide for the expenditures of the revenues received by the Devon Forest Special Tax District during the fiscal year.

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F. REPORTS FROM STANDING COMMITTEES:

1. Committee on Justice and Public Safety
Council Member Judy C. Mims, Chairman
Clerk of Court – additional funds for jurors.
2. Committee on Public Works and Purchasing
Council Member Caldwell Pinckney, Jr., Chairman
Public Works Department – Additional funds, Re:
Water system improvements.
Courthouse roof engineering inspection.

May 7, 2003
S/Barbara B. Austin
Clerk of County Council